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SB/O/AC-66-120
5 August 1966

MEMORANDUM FOR: Chief, SB

SUBJECT : Status of Action on HEINE-RAUS Case

Following is a brief summary status report on HEINE-RAUS action:

1. Court Action: Next hearing on Motion for Summary Judgment in early September. Judge Thomsen may render his decision shortly thereafter, and it could go either way. If against defendant, trial would be put on the calendar probably not before Spring 1967. If for defendant, case is over unless plaintiff appeals to Circuit Court (we anticipate he probably will).

2. CI Analysis:

- a) A draft CI analysis is in final stages of assembly.
- b) ☐ is analyzing HEINE documentation; his contribution will be completed shortly.
- c) Tracing of individuals of possible interest in Sweden, Germany, Australia, South Africa, etc. is continuing.

3. Liaison with Canadians:

- a) We are exchanging HEINE documents in our respective possessions, pointing out suspicious elements.
- b) We recently passed RCMP a list of 8 individuals who may have information on HEINE. No response as yet, and no indication whether they will interview them.
- c) We have several times emphasized to RCMP the importance of a thorough check of HEINE's finances. No response as yet.
- d) Awaiting reply re our proposed interview with VESKIMETS.

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4. Liaison with British:

- a) [] [] appointed by SMOTH for liaison with us re HEINE. (I know him.) London 5043 indicates he is fully cooperative.
- b) At [] [] suggestion, [] [] will check out HEINE's correspondence with Republic of Estonia Legation in London.
- c) Colonel Alfons Rebane: [] [] suggests bringing him to London where he will introduce Rebane to CIA staffer for debriefing. We will accept this offer, planning for TDY of Headquarters officer at time convenient for S. and R. between 28 August and 11 September.
- d) During same TDY, will plan to debrief [] [] in Hamburg, also travel Bonn to check re CAVATA response and possibly meet with CAVATA officer.

5. Liaison with Swedes:

Preparing a list of questions re HEINE background, also names of several Estonians who might be interviewed.

6. Liaison with Germans:

Preparing further questions re HEINE's repatriation to Germany, documentation, etc.

7. Leads in U.S.:

- a) Several (3 or 4) former CIA Estonian agents and contacts who should be debriefed on particular aspects. Staffing out advisability of seeing them ourselves (CI Staff re any FBI problems, OGC re any negatives from legal standpoint, etc.)
- b) Approximately 20-25 other Estonians in the U.S. who may have useful knowledge, some particularly interesting. Propose to have them seen by private investigators, but may desire to await results of forthcoming court hearing.
- c) Romulus Mandel: After long discussion with Larry Houston, we decided against seeing him. (If he were put on the stand, the door would be opened for Raskauskas to demand that we produce the other CIA officers who debriefed HEINE in 1957. They are [] [] and [] [])

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8. Disbursements to date:

March 1965 :	Deposition	\$ 2,076	
	Private Investigators	<u>2,822</u>	\$ 4,898
July 1965 :	Lawyers	\$12,898	
	Lawyers' Expenses	218	
	Private Investigators	<u>1,954</u>	\$15,070
August 1966:	Lawyers	\$12,000	
	Lawyers' Expenses	1,148	
	Private Investigators	<u>5,597</u>	\$18,745

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